

REFERENCE TITLE: regional attraction districts

State of Arizona
Senate
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SB 1450

Introduced by
Senators Verschoor, Bee, Blendu, Rios; Representatives Gallardo, Reagan,
Rios P, Weiers J; Senators Gray L, Huppenthal; Representatives Adams,
Campbell CH, Campbell CL, Clark, Crandall, McClure, McComish, McGuire,
Nelson, Stump

AN ACT

AMENDING SECTION 11-251.06, ARIZONA REVISED STATUTES; AMENDING TITLE 48,
ARIZONA REVISED STATUTES, BY ADDING CHAPTER 38; RELATING TO REGIONAL
ATTRACTION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 11-251.06, Arizona Revised Statutes, is amended to
3 read:

4 11-251.06. Reimbursement for county services to special
5 districts

6 A. Notwithstanding any other statute, the board of supervisors may
7 require the following special districts to reimburse the county for the cost
8 of services provided to the special districts:

- 9 1. Antinoxious weed districts formed pursuant to title 48, chapter 2.
- 10 2. Pest control districts formed pursuant to title 48, chapter 3.
- 11 3. County improvement districts formed pursuant to title 48,
12 chapter 6.
- 13 4. County improvement districts for lighting formed pursuant to
14 sections 48-960 and 48-961.
- 15 5. Domestic water improvement districts formed pursuant to title 48,
16 chapter 6, article 4.
- 17 6. County television improvement districts formed pursuant to title
18 48, chapter 7.
- 19 7. Community park maintenance districts formed pursuant to title 48,
20 chapter 8.
- 21 8. Special road districts formed pursuant to title 48, chapter 10.
- 22 9. Power districts formed pursuant to title 48, chapter 11.
- 23 10. Electrical districts formed pursuant to title 48, chapter 12.
- 24 11. Hospital districts formed pursuant to title 48, chapter 13.
- 25 12. Sanitary districts formed pursuant to title 48, chapter 14.
- 26 13. Pest abatement districts formed pursuant to title 48, chapter 15.
- 27 14. Health service districts formed pursuant to title 48, chapter 16.
- 28 15. Agricultural improvement districts formed pursuant to title 48,
29 chapter 17.
- 30 16. Drainage and flood protection districts formed pursuant to title
31 48, chapter 18.
- 32 17. Irrigation and water conservation districts formed pursuant to
33 title 48, chapter 19.
- 34 18. Irrigation water delivery districts formed pursuant to title 48,
35 chapter 20.
- 36 19. County flood control districts formed pursuant to title 48,
37 chapter 21.
- 38 20. Multi-county water conservation districts formed pursuant to title
39 48, chapter 22.
- 40 21. County jail districts formed pursuant to title 48, chapter 25.
- 41 **22. REGIONAL ATTRACTION DISTRICTS FORMED PURSUANT TO TITLE 48,**
42 **CHAPTER 38.**

43 B. Fire districts formed pursuant to title 48, chapter 5 shall
44 reimburse the county for the actual costs of organization, reorganization,
45 boundary changes, election services, use of the county attorney and other

1 services provided by the assessor and treasurer directly associated with
2 county services provided to fire districts.

3 C. The board of supervisors shall establish a schedule for
4 reimbursement of county services and shall distribute this schedule to the
5 special districts prior to providing any service named in the schedule. The
6 schedule may include charges to newly organized special taxing districts for
7 county services rendered to these districts before and during organization.
8 The reimbursement schedule shall not exceed the actual costs for the services
9 provided by the county.

10 D. If the board of supervisors requires reimbursement for county
11 services pursuant to subsections A and C of this section, the governing body
12 of a special district listed in subsection A of this section may elect to
13 perform for itself any of the services provided by the county in lieu of
14 reimbursement, except election and financial services provided by the county.

15 E. Subsection D of this section does not authorize the governing body
16 of any of the named special districts to levy any additional taxes not
17 otherwise specified by statute.

18 Sec. 2. Title 48, Arizona Revised Statutes, is amended by adding
19 chapter 38, to read:

20 CHAPTER 38

21 REGIONAL ATTRACTION DISTRICTS

22 ARTICLE 1. ORGANIZATION AND ADMINISTRATION

23 48-6601. Definitions

24 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

25 1. "BOARD" MEANS THE BOARD OF DIRECTORS OF A DISTRICT.

26 2. "DISTRICT" MEANS A REGIONAL ATTRACTION DISTRICT ESTABLISHED
27 PURSUANT TO THIS CHAPTER.

28 3. "INFRASTRUCTURE" MEANS ANY LAND, BUILDING OR OTHER IMPROVEMENT AND
29 EQUIPMENT OR OTHER PERSONAL PROPERTY THAT WILL MAKE UP PART OF OR SUPPORT THE
30 REGIONAL ATTRACTION VENUE LOCATED IN AND OWNED BY THE DISTRICT.

31 4. "REGIONAL ATTRACTION VENUE" OR "VENUE" MEANS A PERMANENT
32 COMMERCIALY OPERATED COLLECTION OF RIDES AND OTHER ENTERTAINMENT EQUIPMENT
33 AND ATTRACTIONS AND RELATED SUPPORT FACILITIES THAT ARE BASED ON A CENTRAL
34 THEME AND WHICH MAY INCLUDE INFRASTRUCTURE.

35 48-6602. Formation of district

36 A. ON THE PETITION OF OWNERS OF REAL PROPERTY IN THE PROPOSED
37 DISTRICT, THE GOVERNING BODY OF A CITY WITH A POPULATION OF MORE THAN TEN
38 THOUSAND BUT LESS THAN TWENTY THOUSAND PERSONS THAT IS LOCATED IN A COUNTY
39 WITH A POPULATION OF MORE THAN TWO HUNDRED FIFTY THOUSAND PERSONS BUT LESS
40 THAN THREE HUNDRED FIFTY THOUSAND PERSONS MAY ESTABLISH A REGIONAL ATTRACTION
41 DISTRICT LOCATED IN THE CITY AS PROVIDED BY THIS CHAPTER. FOR THE PURPOSES
42 OF THIS SUBSECTION, THE POPULATION SHALL BE DETERMINED ACCORDING TO THE MOST
43 RECENT POPULATION ESTIMATE DATA PRODUCED BY THE DEPARTMENT OF ECONOMIC
44 SECURITY AT THE TIME THE DISTRICT IS ESTABLISHED.

1 B. THE PROPONENTS OF THE DISTRICT MUST SUBMIT A PETITION TO THE
2 GOVERNING BODY OF THE CITY. THE PETITION SHALL INCLUDE THE GEOGRAPHICAL
3 BOUNDARIES OF THE DISTRICT, WHICH SHALL:

4 1. INCLUDE THE SITE OF THE REGIONAL ATTRACTION VENUE UNDER SECTION
5 48-6631.

6 2. NOT EXCEED NINE HUNDRED FIFTY ACRES.

7 C. ON RECEIVING THE PETITION, THE GOVERNING BODY OF THE CITY SHALL
8 SCHEDULE A PUBLIC HEARING ON THE PROPOSED DISTRICT TO BE HELD AT LEAST SIXTY
9 BUT NOT MORE THAN NINETY DAYS AFTER RECEIVING THE PETITION. THE CITY CLERK
10 SHALL PUBLISH A NOTICE OF THE HEARING STATING THE PURPOSE OF THE PETITION,
11 THE DESCRIPTION OF THE AREA OF THE PROPOSED DISTRICT AND THE DATE, TIME AND
12 PLACE OF THE HEARING TWICE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE CITY.
13 AT LEAST ONE OF THE NOTICES MUST BE PUBLISHED AT LEAST TWENTY DAYS BEFORE THE
14 DATE OF THE HEARING. AT THE HEARING THE GOVERNING BODY SHALL HEAR THOSE WHO
15 APPEAR FOR AND AGAINST THE PROPOSED DISTRICT AND SHALL DETERMINE WHETHER THE
16 DISTRICT WOULD SERVE THE PUBLIC INTEREST, AND IF SO, ADOPT A RESOLUTION
17 ESTABLISHING THE DISTRICT. THE MINUTES OF THE HEARING MUST INCLUDE THE
18 FINDINGS SUPPORTING THE ESTABLISHMENT OF THE DISTRICT.

19 D. A CITY MAY NOT ESTABLISH MORE THAN ONE DISTRICT UNDER THIS CHAPTER.

20 E. THE DISTRICT IS A CORPORATE AND POLITICAL BODY AND, EXCEPT AS
21 OTHERWISE LIMITED, MODIFIED OR PROVIDED BY THIS CHAPTER, HAS ALL OF THE
22 RIGHTS, POWERS AND IMMUNITIES OF MUNICIPAL CORPORATIONS.

23 F. THE DISTRICT IS CONSIDERED TO BE A TAX LEVYING PUBLIC IMPROVEMENT
24 DISTRICT FOR THE PURPOSES OF ARTICLE XIII, SECTION 7, CONSTITUTION OF
25 ARIZONA.

26 G. THE DISTRICT IS REGARDED AS PERFORMING A GOVERNMENTAL FUNCTION IN
27 CARRYING OUT THE PURPOSES OF THIS CHAPTER. THE PROPERTY ACQUIRED OR
28 CONSTRUCTED BY THE DISTRICT, THE ACTIVITIES OF THE DISTRICT IN MAINTAINING
29 AND CARING FOR THE PROPERTY AND THE MONIES DERIVED BY THE DISTRICT FROM
30 OPERATING THE PROPERTY ARE EXEMPT FROM STATE AND LOCAL INCOME AND PROPERTY
31 TAXATION.

32 48-6603. Board of directors

33 A. THE DISTRICT IS GOVERNED BY A BOARD OF DIRECTORS CONSISTING OF THE
34 FOLLOWING MEMBERS:

35 1. TWO MEMBERS OF THE GOVERNING BODY OF THE CITY ESTABLISHING THE
36 DISTRICT.

37 2. THREE MEMBERS OF THE GENERAL PUBLIC WHO RESIDE IN THIS STATE, ONE
38 OF WHOM MUST RESIDE IN THE COUNTY IN WHICH THE DISTRICT IS LOCATED, ONE EACH
39 APPOINTED BY THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE
40 HOUSE OF REPRESENTATIVES.

41 B. MEMBERS OF THE BOARD OF DIRECTORS WHO ALSO SERVE ON THE GOVERNING
42 BODY OF THE CITY SERVE DURING THEIR TERMS OF OFFICE ON THE GOVERNING BODY,
43 UNLESS A SUCCESSOR IS EARLIER ELECTED BY THE GOVERNING BODY TO REPLACE THE
44 MEMBER FOR ANY REASON. OTHER MEMBERS OF THE BOARD OF DIRECTORS SERVE AT THE
45 PLEASURE OF THE GOVERNING BODY.

1 C. MEMBERS ARE NOT ELIGIBLE FOR COMPENSATION FOR SERVICE ON THE BOARD
2 OF DIRECTORS.

3 48-6604. Administrative powers and duties

4 A. THE BOARD OF DIRECTORS, ON BEHALF OF THE DISTRICT, MAY:

5 1. ADOPT AND USE A CORPORATE SEAL.

6 2. SUE AND BE SUED.

7 3. ENTER INTO CONTRACTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS UNDER
8 TITLE 11, CHAPTER 7, ARTICLE 3, AS NECESSARY TO CARRY OUT THE PURPOSES AND
9 REQUIREMENTS OF THIS CHAPTER.

10 4. ADOPT ADMINISTRATIVE RULES AS NECESSARY TO ADMINISTER AND OPERATE
11 THE DISTRICT AND ANY PROPERTY UNDER ITS JURISDICTION.

12 5. ACQUIRE BY ANY LAWFUL MEANS, EXCEPT THE POWER OF EMINENT DOMAIN,
13 AND OPERATE, MAINTAIN, ENCUMBER AND DISPOSE OF REAL AND PERSONAL PROPERTY AND
14 INTERESTS IN PROPERTY.

15 6. RETAIN LEGAL COUNSEL AND OTHER CONSULTANTS AS NECESSARY TO CARRY
16 OUT THE PURPOSES OF THE DISTRICT.

17 7. ENTER INTO INTERGOVERNMENTAL AGREEMENTS, PURSUANT TO TITLE 11,
18 CHAPTER 7, ARTICLE 3, FOR ADMINISTRATIVE AND STAFF SUPPORT AND MEETING
19 ACCOMMODATIONS FOR ACCOMPLISHING THE PURPOSES OF THE DISTRICT.

20 8. ENTER INTO CONTRACTS AND OTHER AGREEMENTS IN THE INTEREST OF THE
21 DISTRICT OR TO CARRY OUT AND ACCOMPLISH THE PURPOSES OF THIS CHAPTER,
22 INCLUDING CONSTRUCTION CONTRACTS AND AGREEMENTS WITH USERS OF THE FACILITIES
23 AT THE REGIONAL ATTRACTION VENUE.

24 B. THE BOARD OF DIRECTORS SHALL:

25 1. APPOINT A CHAIRPERSON FROM AMONG ITS MEMBERS.

26 2. DESIGNATE A FISCAL AGENT TO DEPOSIT, HOLD, INVEST AND DISBURSE THE
27 DISTRICT'S MONIES.

28 3. PROVIDE FOR THE ACQUISITION, CONSTRUCTION, FINANCING, USE,
29 FURNISHING, OPERATION, MARKETING, PROMOTION, MAINTENANCE AND IMPROVEMENT OF
30 THE PROPERTIES, INFRASTRUCTURE AND INTERESTS OWNED OR CONTROLLED BY THE
31 DISTRICT AS PROVIDED BY THIS CHAPTER.

32 4. KEEP AND MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL OF ITS
33 PROCEEDINGS. THE BOARD IS A PUBLIC BODY FOR THE PURPOSES OF TITLE 38,
34 CHAPTER 3, ARTICLE 3.1, RELATING TO PUBLIC MEETINGS, AND TITLE 39, CHAPTER 1,
35 RELATING TO PUBLIC RECORDS.

36 5. CONTRACT FOR CONSULTING, LEGAL, ACCOUNTING AND OTHER OUTSIDE
37 PROFESSIONAL SERVICES, INCLUDING A PROFESSIONAL FACILITY MANAGEMENT COMPANY.

38 48-6605. Conflicts of interest

39 A. THE DIRECTORS OF THE DISTRICT ARE SUBJECT TO TITLE 38, CHAPTER 3,
40 ARTICLE 8, RELATING TO CONFLICTS OF INTEREST, INCLUDING THE PENALTIES
41 PRESCRIBED BY SECTION 38-510.

42 B. A MEMBER OF THE BOARD OF DIRECTORS SHALL NOT HAVE ANY DIRECT OR
43 INDIRECT FINANCIAL INTEREST IN ANY:

44 1. PROPERTY OWNED, PURCHASED OR CONSTRUCTED BY THE DISTRICT.

45 2. CONTRACT ENTERED INTO BY THE DISTRICT.

1 3. PRIVATE CORPORATION OR OTHER ENTITY WITH WHICH THE DISTRICT
2 CONTRACTS.

3 ARTICLE 2. OPERATIONS

4 48-6631. Constructing and maintaining regional attraction venue

5 A. THE DISTRICT SHALL PROVIDE FOR THE CONSTRUCTION, FINANCING, USE,
6 FURNISHING, IMPROVEMENT, OPERATION, MARKETING, PROMOTION AND MAINTENANCE OF A
7 REGIONAL ATTRACTION VENUE IN THE CITY PARTICIPATING IN ESTABLISHING THE
8 DISTRICT. THE DISTRICT SHALL OWN ALL INFRASTRUCTURE IT CONSTRUCTS, SUBJECT
9 ONLY TO LIENS AND OTHER SECURITY INTERESTS OF RECORD. THE DISTRICT MAY
10 CONSTRUCT THE PORTIONS OF THE REGIONAL ATTRACTION VENUE OWNED BY THE DISTRICT
11 ON REAL PROPERTY OWNED OR LEASED BY THE DISTRICT.

12 B. TITLE 34 APPLIES TO THE DISTRICT, EXCEPT THAT NOTWITHSTANDING TITLE
13 41, CHAPTER 23, THE DISTRICT MAY USE ALTERNATIVE SYSTEMS AND PROCEDURES,
14 INCLUDING DESIGN-BUILD CONSTRUCTION AND QUALIFICATIONS-BASED SELECTION OF
15 CONTRACTORS, EITHER BY DIRECT SELECTION OR BY PUBLIC COMPETITION, TO EXPEDITE
16 THE DESIGN AND CONSTRUCTION OF ANY OF ITS FACILITIES OR STRUCTURES OR ANY
17 FACILITIES OR STRUCTURES LEASED TO IT OR USED BY IT PURSUANT TO AN
18 INTERGOVERNMENTAL AGREEMENT. FOR THE PURPOSES OF THIS SUBSECTION:

19 1. "DESIGN-BUILD" MEANS A PROCESS OF ENTERING INTO AND MANAGING A
20 CONTRACT BETWEEN THE DISTRICT AND ANOTHER PARTY IN WHICH THE OTHER PARTY
21 AGREES TO BOTH DESIGN AND BUILD ANY STRUCTURE, FACILITY OR OTHER ITEMS
22 SPECIFIED IN THE CONTRACT.

23 2. "QUALIFICATIONS-BASED SELECTION" MEANS A PROCESS OF ENTERING INTO
24 AND MANAGING A CONTRACT BETWEEN THE DISTRICT AND ANOTHER PARTY IN WHICH THE
25 OTHER PARTY IS SELECTED BY THE DISTRICT ON THE BASIS OF THE PARTY'S
26 QUALIFICATIONS AND EXPERIENCE IN DESIGNING OR CONSTRUCTING FACILITIES,
27 STRUCTURES OR OTHER ITEMS SIMILAR TO THOSE THE DISTRICT IS AUTHORIZED TO
28 CONSTRUCT OR LEASE.

29 48-6632. Operational powers and duties of district

30 A. THE DISTRICT, THROUGH THE BOARD OF DIRECTORS, SHALL:

31 1. NEGOTIATE AND ENTER INTO AGREEMENTS WITH DEVELOPERS, CONTRACTORS
32 AND ARCHITECTS FOR THE CONSTRUCTION OF ANY PORTION OF THE REGIONAL ATTRACTION
33 VENUE, UNLESS AN ARCHITECT WILL BE EMPLOYED DIRECTLY BY A CONTRACTOR.

34 2. REVIEW CONSTRUCTION CHANGE ORDER REQUESTS.

35 3. ARRANGE FOR CAPITAL FINANCING, AS NEEDED.

36 4. WORK WITH THE USERS, CONTRACTORS AND ARCHITECTS TO PREPARE AND
37 MAINTAIN A THEMED DESIGN FOR THE REGIONAL ATTRACTION VENUE.

38 5. PREPARE CONSTRUCTION BUDGETS AND SCHEDULES.

39 6. NEGOTIATE AND ENTER INTO USE AGREEMENTS WITH PARTIES THAT OCCUPY
40 AND USE THE REGIONAL ATTRACTION VENUE.

41 7. PREPARE THE ANNUAL OPERATING BUDGET FOR THE DISTRICT PURSUANT TO
42 SECTION 48-6651.

43 8. USE EXCISE TAX REVENUES PAID TO THE DISTRICT PURSUANT TO SECTION
44 48-6654 AND OTHER REVENUES THE DISTRICT MAY RECEIVE FROM OTHER SOURCES FOR
45 THE PURPOSES SET FORTH IN SECTION 48-6631, SUBSECTION A.

1 9. PLEDGE ALL OR PART OF EXCISE TAX REVENUES PAID TO THE DISTRICT
2 PURSUANT TO SECTION 48-6654 TO SECURE THE DISTRICT'S BONDS OR OTHER FINANCIAL
3 OBLIGATIONS UNDER ARTICLE 4 OF THIS CHAPTER.

4 10. ENTER INTO CONTRACTS FOR THE USE, MANAGEMENT, OPERATION,
5 MAINTENANCE, RECONSTRUCTION AND IMPROVEMENT OF THE DISTRICT'S FACILITIES.

6 11. TAKE ANY OTHER ACTIONS THAT ARE NECESSARY TO ENSURE THAT THE
7 DISTRICT'S FACILITIES ARE:

8 (a) CONSTRUCTED, MANAGED, OPERATED, MAINTAINED AND IMPROVED ACCORDING
9 TO SCHEDULE AND BUDGET.

10 (b) OCCUPIED AND USED ACCORDING TO THE USE AGREEMENTS.

11 B. THE DISTRICT, THROUGH THE BOARD OF DIRECTORS, MAY:

12 1. LEASE ANY OF ITS FACILITIES TO USERS, CHARGE AND COLLECT RENT FROM
13 LESSEES AND TERMINATE ANY LEASE ON THE FAILURE OF THE LESSEE TO COMPLY WITH
14 THE OBLIGATIONS OF THE LEASE.

15 2. EMPLOY OR CONTRACT FOR PROFESSIONAL AND OTHER SERVICES AS NECESSARY
16 FOR FINANCING, CONSTRUCTING AND OPERATING THE REGIONAL ATTRACTION VENUE AND
17 ANY ON-SITE OR OFF-SITE IMPROVEMENTS AND FACILITIES USED IN CONNECTION WITH
18 THE VENUE.

19 3. ENTER INTO CAPITAL AND OPERATING FINANCING AGREEMENTS.

20 4. DO ANY OTHER ACT THAT IS NECESSARY OR APPROPRIATE TO CARRY OUT ITS
21 PURPOSES.

22 C. THE DISTRICT SHALL NOT OPERATE THE REGIONAL ATTRACTION VENUE OR ANY
23 IMPROVEMENT OR FACILITY LOCATED IN THE DISTRICT AS A BUSINESS, OTHER THAN AS
24 A LESSOR.

25 48-6633. Relations with owners of real property

26 A. THE DISTRICT MAY LOCATE ANY OF ITS FACILITIES ON REAL PROPERTY
27 LEASED FROM ONE OR MORE PUBLIC OR PRIVATE OWNERS.

28 B. THE DISTRICT MAY NEGOTIATE AGREEMENTS, INCLUDING INTERGOVERNMENTAL
29 AGREEMENTS PURSUANT TO TITLE 11, CHAPTER 7, ARTICLE 3, WITH THE OWNER
30 CONCERNING THE REAL PROPERTY, INFRASTRUCTURE AND PARKING TO BE PROVIDED BY
31 THE OWNER. THE DISTRICT SHALL REQUIRE ASSURANCE THAT THE OWNER HAS THE
32 FINANCIAL CAPABILITY TO PERFORM ITS OBLIGATIONS UNDER ANY AGREEMENT WITH THE
33 DISTRICT. IN ADDITION, THE OWNER MUST AGREE IN WRITING TO:

34 1. INDEMNIFY AND HOLD THE DISTRICT HARMLESS FROM ANY LIABILITY TO THE
35 EXTENT RESULTING FROM THE NEGLIGENT OR INTENTIONAL ACTS OR OMISSIONS OF THE
36 OWNER OR ITS REPRESENTATIVES, AGENTS OR EMPLOYEES RESULTING FROM ANY ACCESS
37 WAYS PROVIDED BY THE OWNER AND REASONABLY USED BY THE PUBLIC FOR INGRESS AND
38 EGRESS TO THE LAND, INFRASTRUCTURE AND PARKING FACILITIES PROVIDED BY THE
39 OWNER FOR USE IN CONNECTION WITH THE REGIONAL ATTRACTION VENUE.

40 2. MAINTAIN INSURANCE OR AN ADEQUATE SELF-INSURANCE PLAN FOR ANY
41 LIABILITY OF THE OWNER.

42 48-6634. Quarterly report; appearance before joint legislative
43 budget committee

44 A. WITHIN THREE WEEKS AFTER THE END OF EACH CALENDAR QUARTER, THE
45 DISTRICT SHALL PREPARE A REPORT SIGNED BY THE CHAIRPERSON OF THE BOARD OF

1 DIRECTORS AND TRANSMIT THE REPORT TO THE GOVERNOR, THE LEGISLATURE, AS
2 PROVIDED BY SECTION 41-1178, AND THE JOINT LEGISLATIVE BUDGET COMMITTEE. THE
3 REPORT SHALL INCLUDE A PROGRESS REPORT OF THE ACTIVITIES OF THE DISTRICT
4 DURING THE PREVIOUS QUARTER.

5 B. AT THE REQUEST OF THE CHAIRPERSON OF THE JOINT LEGISLATIVE BUDGET
6 COMMITTEE, THE CHAIRPERSON OF THE DISTRICT BOARD OF DIRECTORS, OR THE
7 CHAIRPERSON'S DESIGNEE, SHALL APPEAR BEFORE THE JOINT LEGISLATIVE BUDGET
8 COMMITTEE ANNUALLY TO REPORT ON THE ACTIVITIES AND FINANCIAL PERFORMANCE OF
9 THE DISTRICT DURING THE PREVIOUS YEAR.

10 48-6635. Regulating sale, use and consumption of alcoholic
11 beverages

12 SUBJECT TO THE REQUIREMENTS OF TITLE 4, THE BOARD MAY PERMIT, PROHIBIT
13 OR REGULATE THE SALE, USE AND CONSUMPTION OF ALCOHOLIC BEVERAGES ON PROPERTY
14 OWNED, LEASED OR SUBLEASED BY THE DISTRICT UNDER THIS CHAPTER.

15 48-6636. Gambling prohibited in district

16 GAMBLING PURSUANT TO TITLE 5, CHAPTERS 4, 5 AND 6 SHALL NOT BE ALLOWED
17 WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT.

18 ARTICLE 3. FINANCIAL PROVISIONS

19 48-6651. Annual budget

20 A. ON OR BEFORE JUNE 30 OF EACH YEAR, THE BOARD SHALL HOLD A PUBLIC
21 HEARING TO ADOPT A BUDGET FOR THE FOLLOWING FISCAL YEAR THAT INCLUDES:

- 22 1. DISTRICT RECEIPTS DURING THE PRECEDING FISCAL YEAR.
- 23 2. DISTRICT EXPENDITURES DURING THE PRECEDING FISCAL YEAR.
- 24 3. ESTIMATES OF AMOUNTS NECESSARY FOR EXPENSES DURING THE FOLLOWING
25 FISCAL YEAR, INCLUDING AMOUNTS PROPOSED FOR:
 - 26 (a) COSTS OF PLANNING, CONSTRUCTING, FINANCING AND MAINTAINING THE
27 DISTRICT'S FACILITIES.
 - 28 (b) ADMINISTRATIVE COSTS OF THE DISTRICT.
- 29 4. ANTICIPATED REVENUE TO THE DISTRICT FROM EACH SOURCE IN THE
30 FOLLOWING FISCAL YEAR.
- 31 5. A COMPLETE ASSET AND LIABILITY STATEMENT.
- 32 6. A STATEMENT OF PROFIT OR LOSS.
- 33 7. CASH ON HAND AS OF THE DATE THE BUDGET IS ADOPTED AND THE
34 ANTICIPATED BALANCE AT THE END OF THE CURRENT FISCAL YEAR.
- 35 8. AN ITEMIZED STATEMENT OF COMMITMENTS, RESERVES AND ANTICIPATED
36 OBLIGATIONS FOR THE FOLLOWING FISCAL YEAR.
- 37 9. A DESCRIPTION OF THE AMOUNT AND NATURE OF PRIVATE FUNDING AND
38 FINANCING COMMITTED TO REGIONAL ATTRACTION VENUE PURPOSES AS REQUIRED BY
39 SECTION 48-6673, SUBSECTION D.

40 B. THE BOARD MAY AMEND THE BUDGET ON A FINDING OF GOOD CAUSE.

41 48-6652. General fund; investments

42 A. THE DISTRICT SHALL MAINTAIN A GENERAL FUND AND MAY ESTABLISH
43 ACCOUNTS AND SUBACCOUNTS WITHIN THE GENERAL FUND AS NECESSARY AND CONVENIENT.
44 ALL REVENUES AND MONIES RECEIVED BY THE DISTRICT SHALL BE DEPOSITED IN THE
45 GENERAL FUND.

1 B. THE DISTRICT MAY INVEST ANY UNEXPENDED MONIES IN THE FUND AS
2 PROVIDED IN TITLE 35, CHAPTER 2. INTEREST AND OTHER INCOME FROM INVESTMENTS
3 OF MONIES IN ANY ACCOUNT SHALL BE CREDITED TO THAT ACCOUNT EXCEPT AS
4 OTHERWISE PROVIDED BY LAW.

5 C. THE DISTRICT'S INVESTMENTS MUST MATURE WHEN THE FUND ASSETS WILL BE
6 REQUIRED FOR THE PURPOSES OF THIS CHAPTER. IF THE LIQUID ASSETS IN THE FUND
7 BECOME INSUFFICIENT TO MEET THE DISTRICT'S OBLIGATIONS, THE BOARD SHALL
8 DIRECT THE FISCAL AGENT TO LIQUIDATE SUFFICIENT SECURITIES TO MEET ALL OF THE
9 CURRENT OBLIGATIONS AND IMMEDIATELY NOTIFY THE AUDITOR GENERAL OF THE
10 INSUFFICIENCY. THE AUDITOR GENERAL SHALL INVESTIGATE AND AUDIT THE
11 CIRCUMSTANCES SURROUNDING THE DEPLETION OF THE FUND AND REPORT THE FINDINGS
12 TO THE BOARD.

13 48-6653. Construction account

14 A. THE DISTRICT SHALL MAINTAIN A CONSTRUCTION ACCOUNT IN THE GENERAL
15 FUND CONSISTING OF:

16 1. MONIES RECEIVED BY THE DISTRICT FROM ANY SOURCE FOR THE PURPOSE OF
17 ACQUIRING LAND FOR AND FUNDING THE COST OF CONSTRUCTING THE REGIONAL
18 ATTRACTION VENUE.

19 2. PROCEEDS OF BONDS ISSUED BY THE DISTRICT PURSUANT TO ARTICLE 4 OF
20 THIS CHAPTER, WHICH MUST BE HELD IN A SEGREGATED BOND PROCEEDS SUBACCOUNT IN
21 THE CONSTRUCTION ACCOUNT.

22 B. THE DISTRICT MAY SPEND MONIES IN THE CONSTRUCTION ACCOUNT FOR COSTS
23 OF ANY REGIONAL ATTRACTION VENUE PURPOSE AS DEFINED IN SECTION 48-6671.

24 48-6654. Excise tax; administration; expiration

25 A. THE DISTRICT MAY LEVY AN EXCISE TAX ON BUSINESS ACTIVITY IN THE
26 DISTRICT THAT IS SUBJECT TO TAXATION UNDER TITLE 42, CHAPTER 5. THE TAX
27 SHALL BE LEVIED AT A RATE OF NO MORE THAN TEN PER CENT OF THE GROSS PROCEEDS
28 OF SALES OR GROSS INCOME DERIVED FROM THE BUSINESS, INCLUDING ADMISSION AND
29 USER FEES.

30 B. A TAX IMPOSED PURSUANT TO THIS SECTION IS IN ADDITION TO
31 TRANSACTION PRIVILEGE AND USE TAXES IMPOSED BY THIS STATE PURSUANT TO TITLE
32 42, CHAPTER 5 AND ANY COUNTY, CITY, TOWN OR OTHER LOCAL TRANSACTION PRIVILEGE
33 TAX.

34 C. UNLESS THE CONTEXT OTHERWISE REQUIRES, SECTION 42-6102 GOVERNS THE
35 ADMINISTRATION OF THE TAX IMPOSED UNDER THIS SECTION.

36 D. EACH MONTH THE STATE TREASURER SHALL REMIT TO THE DISTRICT THE NET
37 REVENUES COLLECTED UNDER THIS SECTION DURING THE PRECEDING MONTH. THE
38 DISTRICT SHALL DEPOSIT THE MONIES IN THE DISTRICT'S GENERAL FUND.

39 E. THE TAX IMPOSED PURSUANT TO THIS SECTION EXPIRES WHEN ALL BONDS,
40 INTEREST AND OTHER CHARGES RELATED TO BONDS ISSUED UNDER ARTICLE 4 OF THIS
41 CHAPTER HAVE BEEN PAID. THE DISTRICT SHALL IMMEDIATELY NOTIFY THE DEPARTMENT
42 OF REVENUE WHEN THOSE EXPENSES HAVE BEEN SATISFIED. ANY AMOUNTS COLLECTED
43 AFTER PAYMENT OF THE BONDS, INTEREST AND RELATED CHARGES, AFTER AUDIT BY THE
44 AUDITOR GENERAL, SHALL BE RETAINED BY THE STATE TREASURER AND CREDITED TO THE
45 STATE GENERAL FUND.

1 COSTS, PAYING AGENT FEES, TRANSFER AGENT FEES, LEGAL, ACCOUNTING, FEASIBILITY
2 CONSULTANT AND OTHER PROFESSIONAL FEES AND EXPENSES, CREDIT ENHANCEMENT FEES,
3 ATTORNEY AND ACCOUNTING FEES AND EXPENSES RELATED TO CREDIT ENHANCEMENT, BOND
4 INSURANCE OR LIQUIDITY ENHANCEMENT, REMARKETING FEES, RATING AGENCY FEES AND
5 COSTS, TRAVEL AND TELEPHONE EXPENSES AND ALL OTHER FEES CONSIDERED NECESSARY
6 BY THE DISTRICT IN ORDER TO MARKET AND ADMINISTER THE BONDS.

7 3. "BONDS" MEANS THE REVENUE BONDS OF THE DISTRICT ISSUED PURSUANT TO
8 THIS ARTICLE.

9 4. "REGIONAL ATTRACTION VENUE PURPOSE" INCLUDES:

10 (a) THE CAPITAL COSTS OF ACQUIRING, DESIGNING, DEVELOPING,
11 CONSTRUCTING, RECONSTRUCTING, EQUIPPING, FURNISHING, REPAIRING, MAINTAINING
12 AND IMPROVING REGIONAL ATTRACTION VENUE FACILITIES, DIRECTLY RELATED
13 IMPROVEMENTS AND ON-SITE AND OFF-SITE PUBLIC INFRASTRUCTURE, EXCEPT AS
14 OTHERWISE LIMITED BY THIS ARTICLE.

15 (b) THE PAYMENT OF BONDS.

16 (c) BOND RELATED EXPENSES.

17 48-6672. Obligation for the bonds

18 BONDS ISSUED UNDER THIS ARTICLE:

19 1. ARE PAYABLE ONLY ACCORDING TO THEIR TERMS.

20 2. ARE OBLIGATIONS OF THE DISTRICT.

21 3. ARE NOT GENERAL, SPECIAL OR OTHER OBLIGATIONS OF THIS STATE, OR OF
22 THE CITY OR COUNTY IN WHICH THE DISTRICT IS LOCATED. THE MEMBERS OF THE
23 BOARD AND PERSONS WHO EXECUTE THE BONDS ARE NOT PERSONALLY LIABLE FOR PAYMENT
24 OF THE BONDS.

25 4. DO NOT CONSTITUTE A DEBT OF THIS STATE OR OF THE CITY OR COUNTY IN
26 WHICH THE DISTRICT IS LOCATED.

27 5. ARE NOT ENFORCEABLE AGAINST THIS STATE. PAYMENT OF THE BONDS IS
28 NOT ENFORCEABLE OUT OF ANY MONIES OR ASSETS OF THE DISTRICT OTHER THAN THE
29 REVENUE SPECIFICALLY PLEDGED AND ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF
30 THE HOLDER OR HOLDERS OF THE BONDS.

31 48-6673. Authorization of bonds; conditional expiration

32 A. SUBJECT TO SUBSECTIONS D AND E OF THIS SECTION, THE DISTRICT MAY
33 ISSUE BONDS PURSUANT TO THIS ARTICLE IN A PRINCIPAL AMOUNT THAT IS NECESSARY
34 TO:

35 1. PROVIDE SUFFICIENT MONIES FOR ANY REGIONAL ATTRACTION VENUE
36 PURPOSES, EXCEPT THAT NOT MORE THAN ONE-FOURTH OF THE CAPITAL FACILITIES THAT
37 ARE FINANCED WITH BOND PROCEEDS, MEASURED BY SQUARE FOOTAGE, MAY BE USED FOR
38 RETAIL SALES OF TANGIBLE PERSONAL PROPERTY. FOR THE PURPOSES OF THIS
39 PARAGRAPH, "RETAIL SALES" MEANS THE SALE OF TANGIBLE PERSONAL PROPERTY TO AN
40 ULTIMATE CONSUMER AS PROVIDED BY SECTION 42-5061. RETAIL SALES DO NOT
41 INCLUDE:

42 (a) SALES OF FOOD AND BEVERAGES FOR CONSUMPTION ON THE PREMISES OF THE
43 VENUE.

44 (b) THE DISTRIBUTION WITHOUT CHARGE OF PROMOTIONAL PRODUCTS THAT
45 DISPLAY LOGOS OR TRADEMARKS USED AT THE VENUE.

1 (c) SALES SOLELY TO EMPLOYEES OF THE REGIONAL ATTRACTION VENUE.
2 2. ESTABLISH AND FULLY OR PARTIALLY FUND ANY REQUIRED RESERVES OR
3 SINKING ACCOUNTS.
4 3. ISSUE REFUNDING BONDS TO REFUND BONDS ISSUED BY THE DISTRICT IF THE
5 BOARD CONSIDERS REFUNDING TO BE EXPEDIENT. THE BOARD MAY PROVIDE FOR
6 INVESTING AND HOLDING THE PROCEEDS OF THE REFUNDING BONDS IN TRUST FOR THE
7 BENEFIT OF THE HOLDERS OF THE BONDS BEING REFUNDED.
8 B. BONDS ISSUED BY ALL DISTRICTS ESTABLISHED PURSUANT TO THIS ARTICLE
9 SHALL NOT EXCEED A CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT OF SEVEN HUNDRED
10 FIFTY MILLION DOLLARS, EXCEPT FOR REFUNDING BONDS AND OTHER BONDS ISSUED TO
11 REFUND OUTSTANDING BONDS OF THE DISTRICT.
12 C. THE BOARD SHALL AUTHORIZE THE BONDS BY RESOLUTION. THE RESOLUTION
13 SHALL PRESCRIBE:
14 1. THE DISTRICT'S REVENUE SOURCES THAT ARE PLEDGED AND DEDICATED TO
15 SECURE THE BONDS.
16 2. THE RATE OR RATES OF INTEREST, WHICH MAY BE FIXED OR VARIABLE, THE
17 DATE OR DATES ON WHICH INTEREST IS PAYABLE AND THE DENOMINATIONS OF THE
18 BONDS.
19 3. THE DATE OR DATES OF THE BONDS AND MATURITY, WHICH SHALL BE WITHIN
20 THIRTY YEARS AFTER THE DATE OF ISSUANCE.
21 4. THE MANNER OF EXECUTING THE BONDS.
22 5. THE MEDIUM AND PLACE OF PAYMENT.
23 6. THE TERMS OF REDEMPTION, WHICH MAY PROVIDE FOR A PREMIUM FOR EARLY
24 REDEMPTION.
25 D. THE BOARD SHALL NOT ISSUE BONDS UNDER THIS ARTICLE UNLESS IT
26 RECEIVES LEGALLY ENFORCEABLE FINANCIAL PARTICIPATION COMMITMENTS FROM PRIVATE
27 NONGOVERNMENTAL ENTITIES FOR REGIONAL ATTRACTION VENUE PURPOSES IN THE AMOUNT
28 OF AT LEAST ONE HUNDRED MILLION DOLLARS.
29 E. THE AUTHORITY OF THE BOARD OF DIRECTORS TO ISSUE BONDS UNDER THIS
30 ARTICLE EXPIRES IF THE BOARD FAILS TO ISSUE ANY BONDS ON OR BEFORE DECEMBER
31 31, 2015.
32 48-6674. Issuance and sale of bonds
33 A. THE BOARD SHALL ISSUE THE BONDS IN THE NUMBER AND AMOUNT PROVIDED
34 IN THE RESOLUTION. THE BOARD SHALL PROVIDE NOTICE OF ITS INTENTION TO ISSUE
35 BONDS IN A MANNER CONSISTENT WITH MARKET PRACTICE.
36 B. THE BONDS MAY BE SOLD BY COMPETITIVE PUBLIC SALE, THROUGH AN ONLINE
37 BIDDING PROCESS OR AT NEGOTIATED SALE FOR PUBLIC OR PRIVATE OFFERING AT THE
38 PRICE AND ON THE TERMS PRESCRIBED IN THE RESOLUTION. FOR THE PURPOSES OF
39 THIS SUBSECTION, "ONLINE BIDDING PROCESS" MEANS A PROCUREMENT PROCESS IN
40 WHICH THE BOARD RECEIVES BIDS ELECTRONICALLY OVER THE INTERNET IN A
41 REAL-TIME, COMPETITIVE BIDDING EVENT.
42 C. THE PROCEEDS FROM THE SALE OF THE BONDS SHALL BE DEPOSITED IN THE
43 BOND PROCEEDS ACCOUNT ESTABLISHED PURSUANT TO SECTION 48-6675.
44 D. TITLE 35, CHAPTER 3, ARTICLE 7 APPLIES TO THE BOARD AND TO BONDS
45 ISSUED UNDER THIS ARTICLE.

1 48-6675. Bond proceeds account

2 A. IF THE DISTRICT ISSUES BONDS UNDER THIS ARTICLE, THE BOARD SHALL
3 ESTABLISH A BOND PROCEEDS ACCOUNT WITHIN THE GENERAL FUND CONSISTING OF
4 MONIES RECEIVED FROM THE SALE OF THE BONDS.

5 B. THE DISTRICT MAY USE MONIES IN THE BOND PROCEEDS ACCOUNT ONLY FOR
6 REGIONAL ATTRACTION VENUE PURPOSES IN THE MANNER PRESCRIBED BY THIS CHAPTER.

7 C. THE FISCAL AGENT OF THE DISTRICT SHALL ADMINISTER AND ACCOUNT FOR
8 THE BOND PROCEEDS ACCOUNT.

9 48-6676. Debt service account

10 A. IF THE DISTRICT ISSUES BONDS UNDER THIS ARTICLE, THE BOARD SHALL
11 ESTABLISH A DEBT SERVICE ACCOUNT WITHIN THE GENERAL FUND CONSISTING OF MONIES
12 DESIGNATED AND DEDICATED BY THE BOARD FOR REPAYMENT OF THE BONDS AND PAYMENT
13 OF COSTS AND RELATED EXPENSES ASSOCIATED WITH REDEEMING THE BONDS.

14 B. MONIES IN THE DEBT SERVICE ACCOUNT MAY BE USED ONLY FOR THE
15 PURPOSES AUTHORIZED BY THIS ARTICLE.

16 C. THE FISCAL AGENT OF THE DISTRICT SHALL ADMINISTER AND ACCOUNT FOR
17 THE DEBT SERVICE ACCOUNT.

18 48-6677. Securing principal and interest

19 IN CONNECTION WITH ISSUING BONDS AUTHORIZED BY THIS ARTICLE AND TO
20 SECURE THE PRINCIPAL AND INTEREST ON THE BONDS, THE BOARD BY RESOLUTION MAY:

21 1. PLEDGE FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS ALL
22 OR PART OF THE REVENUES AND OTHER MONIES RECEIVED BY THE DISTRICT AND
23 DEPOSITED IN THE GENERAL FUND OR ANY ACCOUNT OR SUBACCOUNT OF THE GENERAL
24 FUND.

25 2. PLEDGE AND ASSIGN TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR
26 HOLDERS OF THE BONDS ALL OR PART OF THE MONIES IN THE DEBT SERVICE ACCOUNT OR
27 ANY OTHER ACCOUNT OR SUBACCOUNT AS NECESSARY TO SECURE AND PAY THE PRINCIPAL,
28 THE INTEREST AND ANY PREMIUM ON THE BONDS AS THEY COME DUE.

29 3. SEGREGATE THE DEBT SERVICE ACCOUNT INTO ONE OR MORE SUBACCOUNTS AND
30 PROVIDE THAT BONDS ISSUED UNDER THIS ARTICLE MAY BE SECURED BY A LIEN ON ALL
31 OR PART OF THE MONIES PAID INTO THE DEBT SERVICE ACCOUNT OR INTO ANY
32 SUBACCOUNT IN THE DEBT SERVICE ACCOUNT.

33 4. ESTABLISH PRIORITIES AMONG BONDHOLDERS BASED ON CRITERIA ADOPTED BY
34 THE BOARD.

35 5. SET ASIDE, REGULATE AND DISPOSE OF RESERVES AND SINKING ACCOUNTS.

36 6. PRESCRIBE THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT
37 WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS THE HOLDERS
38 OF WHICH MUST CONSENT TO AND THE MANNER IN WHICH THE CONSENT MAY BE GIVEN.

39 7. PROVIDE FOR PAYMENT OF BOND RELATED EXPENSES FROM THE PROCEEDS OF
40 THE SALE OF THE BONDS OR OTHER REVENUES AVAILABLE TO THE BOARD.

41 8. PROVIDE FOR THE SERVICES OF TRUSTEES, COTRUSTEES, AGENTS AND
42 CONSULTANTS AND OTHER SPECIALIZED SERVICES WITH RESPECT TO THE BONDS.

43 9. TAKE ANY OTHER ACTION THAT IN ANY WAY MAY ENHANCE THE SECURITY AND
44 PROTECTION OF THE BONDS OR INTEREST ON THE BONDS.

1 48-6678. Lien of pledge

2 A. ANY PLEDGE MADE UNDER THIS ARTICLE IS VALID AND BINDING FROM THE
3 TIME WHEN THE PLEDGE IS MADE.

4 B. THE MONIES PLEDGED TO THE HOLDERS OF THE BONDS AND RECEIVED BY THE
5 DISTRICT FOR PLACEMENT IN THE DEBT SERVICE ACCOUNT ARE IMMEDIATELY SUBJECT TO
6 THE LIEN OF THE PLEDGE WITHOUT ANY FURTHER ACT. ANY LIEN OF ANY PLEDGE IS
7 VALID AND BINDING AGAINST ALL PARTIES WHO HAVE CLAIMS OF ANY KIND AGAINST THE
8 DISTRICT, REGARDLESS OF WHETHER THE PARTIES HAVE NOTICE OF THE LIEN. THE
9 OFFICIAL RESOLUTION OR ANY INSTRUMENT BY WHICH THIS PLEDGE IS CREATED, WHEN
10 ADOPTED BY THE BOARD, IS NOTICE TO ALL CONCERNED OF THE CREATION OF THE
11 PLEDGE, AND THOSE INSTRUMENTS NEED NOT BE RECORDED IN ANY OTHER PLACE TO
12 PERFECT THE PLEDGE.

13 48-6679. Bond purchase for cancellation

14 THE BOARD MAY PURCHASE BONDS FOR CANCELLATION, USING ANY AVAILABLE
15 MONIES, AT A PRICE NOT EXCEEDING THE FOLLOWING:

16 1. IF THE BONDS ARE REDEEMABLE AT THE TIME OF PURCHASE, THE APPLICABLE
17 REDEMPTION PRICE PLUS ACCRUED INTEREST TO THE NEXT INTEREST PAYMENT DATE.

18 2. IF THE BONDS ARE NOT REDEEMABLE AT THE TIME OF PURCHASE, THE
19 APPLICABLE REDEMPTION PRICE ON THE FIRST DATE AFTER PURCHASE ON WHICH THE
20 BONDS BECOME SUBJECT TO REDEMPTION PLUS ACCRUED INTEREST TO THAT DATE.

21 48-6680. Payment of bonds

22 A. THE BONDS SHALL BE PAID SOLELY FROM MONIES IN THE DEBT SERVICE
23 ACCOUNT.

24 B. THE MEMBERS OF THE BOARD AND ANY PERSONS WHO EXECUTE THE BONDS ARE
25 NOT PERSONALLY LIABLE FOR THE PAYMENT OF THE BONDS.

26 C. THE FISCAL AGENT OF THE DISTRICT SHALL CANCEL ALL BONDS WHEN PAID.

27 48-6681. Use of surplus monies

28 A. IF A BALANCE REMAINS IN THE BOND PROCEEDS ACCOUNT AFTER ALL
29 ACQUISITION, CONSTRUCTION AND RELATED COSTS HAVE BEEN PAID:

30 1. THE BOARD SHALL CREDIT THE BALANCE TO REPAY ANY OTHER OUTSTANDING
31 INDEBTEDNESS OF THE DISTRICT.

32 2. IF THE DISTRICT HAS NO OUTSTANDING INDEBTEDNESS, THE BOARD SHALL
33 CREDIT THE REMAINING BALANCE TO THE DISTRICT'S GENERAL FUND.

34 B. IF A BALANCE REMAINS IN THE DEBT SERVICE ACCOUNT AFTER PAYMENT OF
35 ALL BONDS, INTEREST AND OTHER CHARGES RELATED TO BONDS ISSUED UNDER THIS
36 ARTICLE, THE BOARD SHALL CREDIT THE BALANCE TO THE GENERAL FUND.

37 48-6682. Investment of monies in the bond proceeds account

38 A. THE BOARD MAY AUTHORIZE THE DISTRICT FISCAL AGENT TO INVEST MONIES
39 IN THE BOND PROCEEDS ACCOUNT IN THE MANNER PRESCRIBED BY SECTION 48-6684.

40 B. THE ORDER DIRECTING AN INVESTMENT SHALL STATE A DATE ON WHICH THE
41 PROCEEDS FROM THE SALE OF THE BONDS WILL BE NEEDED FOR USE, AND THE FISCAL
42 AGENT SHALL MAKE THE INVESTMENT IN SUCH A WAY AS TO MATURE ON OR BEFORE THE
43 SPECIFIED DATE.

1 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
2 INVESTMENT OF THE MONIES IN THE BOND PROCEEDS ACCOUNT SHALL BE CREDITED TO
3 THE BOND PROCEEDS ACCOUNT.

4 48-6683. Investment of monies in the debt service account

5 A. THE BOARD MAY AUTHORIZE THE DISTRICT FISCAL AGENT TO INVEST AND
6 REINVEST ANY MONIES IN THE DEBT SERVICE ACCOUNT AS PROVIDED BY SECTION
7 48-6684.

8 B. THE ORDER DIRECTING AN INVESTMENT SHALL STATE A DATE ON WHICH THE
9 MONIES AND OTHER RESOURCES IN THE DEBT SERVICE ACCOUNT WILL BE NEEDED FOR
10 USE, AND THE FISCAL AGENT SHALL MAKE THE INVESTMENT IN SUCH A WAY AS TO
11 MATURE ON OR BEFORE THE SPECIFIED DATE.

12 C. ALL MONIES EARNED AS INTEREST OR OTHERWISE DERIVED FROM THE
13 INVESTMENT OF THE MONIES IN THE DEBT SERVICE ACCOUNT SHALL BE CREDITED TO THE
14 DISTRICT'S GENERAL FUND.

15 48-6684. Authorized investments of monies

16 A. THE MONIES IN EITHER THE BOND PROCEEDS ACCOUNT OR THE DEBT SERVICE
17 ACCOUNT MAY BE INVESTED AND REINVESTED AT THE DIRECTION OF THE BOARD IN ANY
18 OF THE FOLLOWING:

- 19 1. UNITED STATES TREASURY OBLIGATIONS.
- 20 2. CONSOLIDATED FARM LOAN BONDS.
- 21 3. OBLIGATIONS ISSUED BY THE FEDERAL INTERMEDIATE CREDIT BANKS OR
22 BONDS FOR COOPERATIVES ON AUTHORITY OF THE FARM CREDIT ACT OF 1933.
- 23 4. ANY OTHER OBLIGATIONS GUARANTEED BY THE UNITED STATES GOVERNMENT.
- 24 5. ANY INVESTMENTS THAT ARE AUTHORIZED BY ANY OTHER AGENCIES OF THE
25 UNITED STATES GOVERNMENT AND THAT ARE AUTHORIZED TO SECURE PUBLIC DEPOSITS.
- 26 6. STATE AND LOCAL GOVERNMENT SERIES UNITED STATES TREASURY
27 SECURITIES.
- 28 7. STATE, COUNTY OR MUNICIPAL BONDS ISSUED IN THIS STATE AND ON WHICH
29 THE PAYMENTS OF INTEREST HAVE NOT BEEN DEFERRED.
- 30 8. INVESTMENT AGREEMENTS AND REPURCHASE AGREEMENTS COLLATERALIZED BY
31 INVESTMENTS DESCRIBED IN PARAGRAPHS 1 THROUGH 5.

32 B. THE PURCHASE OF THE SECURITIES SHALL BE MADE BY THE DISTRICT FISCAL
33 AGENT ON AUTHORITY OF A RESOLUTION OF THE BOARD. THE FISCAL AGENT SHALL ACT
34 AS CUSTODIAN OF ALL SECURITIES PURCHASED.

35 C. THE BOARD MAY PLACE ANY RESTRICTIONS ON REINVESTMENT YIELD ON BOND
36 PROCEEDS OR ON ANY MONIES PLEDGED TO PAY THE BONDS IF NECESSARY TO COMPLY
37 WITH FEDERAL INCOME TAX LAWS AND REGULATIONS TO GAIN ANY FEDERAL TAX BENEFITS
38 AVAILABLE WITH RESPECT TO THE BONDS.

39 48-6685. Deposit and disbursement of monies

40 A. MONIES DERIVED FROM SELLING BONDS UNDER THIS ARTICLE OR PLEDGED OR
41 ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE HOLDER OR HOLDERS OF THE BONDS
42 SHALL BE DEPOSITED BY THE DISTRICT FISCAL AGENT IN FINANCIAL INSTITUTIONS
43 THAT THE BOARD DESIGNATES AND THAT ARE INSURED BY AN AGENCY OR
44 INSTRUMENTALITY OF THE UNITED STATES. THE MONIES SHALL BE DISBURSED AS THE

1 BOARD DIRECTS AND ACCORDING TO THE TERMS OF ANY AGREEMENTS WITH THE HOLDER OR
2 HOLDERS OF THE BONDS.

3 B. THIS SECTION SHALL NOT BE CONSTRUED AS LIMITING THE POWER OF THE
4 BOARD TO AGREE IN CONNECTION WITH THE ISSUANCE OF ANY OF ITS BONDS AS TO THE
5 CUSTODY AND DISPOSITION OF THE MONIES RECEIVED FROM SELLING BONDS OR FROM THE
6 INCOME AND REVENUES PLEDGED OR ASSIGNED TO OR IN TRUST FOR THE BENEFIT OF THE
7 HOLDER OR HOLDERS OF THE BONDS.

8 48-6686. Characteristics of bonds; negotiability; legal
9 investments; exemption from taxation

10 A. BONDS ISSUED UNDER THIS ARTICLE ARE FULLY NEGOTIABLE WITHIN THE
11 MEANING AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE, SUBJECT ONLY TO
12 ANY PROVISIONS FOR REGISTRATION, REGARDLESS OF WHETHER THE BONDS ACTUALLY
13 CONSTITUTE NEGOTIABLE INSTRUMENTS UNDER THE UNIFORM COMMERCIAL CODE.

14 B. THE BONDS, THEIR TRANSFER AND THE INCOME FROM THE BONDS ARE AT ALL
15 TIMES FREE FROM TAXATION IN THIS STATE.

16 C. BONDS ISSUED UNDER THIS ARTICLE:

17 1. ARE SECURITIES IN WHICH PUBLIC OFFICERS AND BODIES OF THIS STATE
18 AND OF MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE, ALL
19 COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS,
20 ALL FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING
21 ON A BANKING BUSINESS, ALL FIDUCIARIES AND ALL OTHER PERSONS WHO ARE
22 AUTHORIZED TO INVEST IN GOVERNMENT OBLIGATIONS MAY PROPERLY AND LEGALLY
23 INVEST.

24 2. ARE SECURITIES THAT MAY BE DEPOSITED WITH PUBLIC OFFICERS OR BODIES
25 OF THIS STATE AND MUNICIPALITIES AND POLITICAL SUBDIVISIONS OF THIS STATE FOR
26 PURPOSES THAT REQUIRE THE DEPOSIT OF GOVERNMENT BONDS OR OBLIGATIONS.

27 48-6687. Effect of changing circumstances on bonds; agreement
28 of state

29 A. BONDS ISSUED UNDER THIS ARTICLE REMAIN VALID AND BINDING
30 OBLIGATIONS OF THE DISTRICT NOTWITHSTANDING THAT BEFORE THE DELIVERY OF THE
31 BONDS ANY PERSON WHOSE SIGNATURE APPEARS ON THE BONDS CEASES TO BE AN OFFICER
32 OF THE DISTRICT.

33 B. AN AMENDMENT OF ANY PROVISION IN THIS CHAPTER DOES NOT DIMINISH OR
34 IMPAIR THE VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE OR THE REMEDIES AND
35 RIGHTS OF BONDHOLDERS.

36 C. THIS STATE PLEDGES TO AND AGREES WITH THE HOLDERS OF THE BONDS
37 AUTHORIZED BY THIS ARTICLE THAT THIS STATE WILL NOT LIMIT, ALTER OR IMPAIR
38 THE RIGHTS VESTED IN THE DISTRICT TO RECEIVE THE MONIES NECESSARY TO FULFILL
39 THE TERMS OF ANY AGREEMENTS MADE WITH THE HOLDERS OF THE BONDS, OR IN ANY WAY
40 IMPAIR THE RIGHTS AND REMEDIES OF THE BONDHOLDERS, UNTIL ALL BONDS ISSUED
41 UNDER THIS ARTICLE, TOGETHER WITH INTEREST ON THE BONDS, INTEREST ON ANY
42 UNPAID INSTALLMENTS OF PRINCIPAL OR INTEREST AND ALL COSTS AND EXPENSES IN
43 CONNECTION WITH ANY ACTION OR PROCEEDINGS BY OR ON BEHALF OF THE BONDHOLDERS,
44 ARE FULLY MET AND DISCHARGED. THE BOARD, AS AGENT FOR THIS STATE, MAY INCLUDE

1 THIS PLEDGE AND UNDERTAKING IN ITS RESOLUTIONS AND INDENTURES AUTHORIZING AND
2 SECURING ITS BONDS.

3 48-6688. Validity of bonds; legal opinion

4 A. THIS ARTICLE CONSTITUTES FULL AUTHORITY FOR AUTHORIZING AND ISSUING
5 BONDS WITHOUT REFERENCE TO ANY OTHER LAW OF THIS STATE. NO OTHER LAW WITH
6 REGARD TO AUTHORIZING OR ISSUING OBLIGATIONS OR THAT IN ANY WAY IMPEDES OR
7 RESTRICTS PERFORMING THE ACTS AUTHORIZED BY THIS ARTICLE MAY BE CONSTRUED TO
8 APPLY TO ANY PROCEEDINGS TAKEN OR ACTS DONE PURSUANT TO THIS ARTICLE.

9 B. THE VALIDITY OF BONDS ISSUED UNDER THIS ARTICLE DOES NOT DEPEND ON
10 AND IS NOT AFFECTED BY THE LEGALITY OF ANY PROCEEDING RELATING TO THE
11 ACQUISITION, CONSTRUCTION, IMPROVEMENT, OPERATION OR MAINTENANCE OF A
12 REGIONAL ATTRACTION VENUE FOR WHICH THE BONDS ARE ISSUED.

13 C. THE BOARD MAY SUBMIT ANY BONDS TO BE ISSUED UNDER THIS ARTICLE TO
14 LEGAL COUNSEL AFTER ALL PROCEEDINGS FOR AUTHORIZING THE BONDS HAVE BEEN
15 COMPLETED. ON SUBMISSION THE COUNSEL SHALL EXAMINE AND PASS ON THE VALIDITY
16 OF THE BONDS AND THE REGULARITY OF THE PROCEEDINGS. IF THE PROCEEDINGS
17 COMPLY WITH THIS ARTICLE, AND IF THE BONDS WHEN DELIVERED AND PAID FOR WILL
18 CONSTITUTE BINDING AND LEGAL OBLIGATIONS OF THE DISTRICT, THE COUNSEL SHALL
19 CERTIFY ON THE BACK OF EACH BOND, IN SUBSTANCE, THAT IT IS ISSUED ACCORDING
20 TO THE CONSTITUTION AND LAWS OF THIS STATE AND THAT THE INTEREST ON THE BONDS
21 WILL BE EXEMPT FROM STATE TAXES AS PROVIDED BY LAW.

22 D. THE BONDS SHALL RECITE THAT THEY ARE REGULARLY ISSUED PURSUANT TO
23 THIS ARTICLE. THAT RECITAL, TOGETHER WITH THE LEGAL OPINION UNDER SUBSECTION
24 C, CONSTITUTES PRIMA FACIE EVIDENCE OF THE LEGALITY AND VALIDITY OF THE
25 BONDS. FROM AND AFTER THE SALE AND DELIVERY OF THE BONDS, THEY ARE
26 INCONTESTABLE BY THIS STATE OR THE DISTRICT.